

SUMTER COUNTY BOARD OF COMMISSIONERS
EXECUTIVE SUMMARY

SUBJECT: Renewal of Stop Loss Contract for Health Plan with Symetra at \$75,000 specific deductible and self-funded liability of \$181,000.

REQUESTED ACTION: **Staff recommends approval**

☐ Work Session (Report Only)

DATE OF MEETING: 9/9/2009

☒ Regular Meeting

☐ Special Meeting

CONTRACT: ☐ N/A

Vendor/Entity: Symetra Life Insurance Company

Effective Date: 10/1/2009

Termination Date: 9/30/2009

Managing Division / Dept:

Support Services/Risk Management

BUDGET IMPACT: \$721,878 minimum and \$902,878 maximum

☒ Annual

FUNDING SOURCE:

Group Health Plan

☐ Capital

EXPENDITURE ACCOUNT:

4509

☐ N/A

HISTORY/FACTS/ISSUES:

Brown and Brown provided proposals from Symetra Life Insurance Company and Sun Life Financial for stop loss insurance for the Group Health Plan. Symetra is our current provider and was successful in providing the lower quote.

Symetra offered three deductible levels: \$75,000, \$85,000 and \$100,000. Staff analyzed the deductible levels based on specific loss claims in Fiscal Year 2007-08. It appears the specific claims for this fiscal year will be less. Based on that analysis, staying at the current deductible of \$75,000 was found appropriate.

Symetra also offered an option with a lower annual premium that included self-funding additional liability. Staff conducted the analysis and found that with the same deductible of \$75,000 and self-funding the additional liability of \$181,000 would provide \$47,332.46 in annual savings (based on Fiscal Year 2007-08 claims used for analysis). If the entire additional liability of \$181,000 was used, the savings would still be \$21,693,80.

The staff recommends renewing with the deductible of \$75,000 and the self-funded liability of \$181,000.
